

complaint

Miss M complains that Vanquis Bank Limited registered information with CIFAS in connection with her credit card account.

background

In 2012 Miss M says she was owed some money by a friend. She says the friend's boyfriend offered to pay the debt by paying off her credit card debt. The bank's records show that someone made a debit card payment using an automated system. Within two days this money was withdrawn in two separate cash withdrawals. Later the bank was notified the payment was unauthorised and a chargeback was made by the payer's bank. Vanquis carried out a bank check to verify the card belonged to Miss M and as this could not be verified the payment was reversed.

As a result of these circumstances it placed a CIFAS marker on Miss M's account in 2012. Miss M has recently become aware of this and asked the bank to remove it. The bank asked for evidence to support her explanation of what had happened, but she wasn't able to provide any.

The complaint was investigated by one of our adjudicators who didn't recommend that it be upheld. She sympathised with Miss M, but noted a bank will register information with CIFAS where it feels it should. Vanquis received information from a third party bank that a payment made to the account was unauthorised. It asked for verification from the third party that this was authorised. Without that information, it was unable to remove the CIFAS marker.

She also said that the bank had been positive and sympathetic in dealing with Miss M when she was clearing her arrears. Miss M didn't agree and said that she couldn't contact her friend or the boyfriend and so wasn't able to provide the evidence that was required. She also said the marker should have been applied from the date of the incident and not a couple of months later.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can fully understand why Vanquis applied the marker since the transaction has the hallmarks of fraud. Money was deposited and then removed very quickly before it was discovered the deposit wasn't genuine. It hasn't been given any evidence that would allow it to reach an alternative conclusion.

On the other hand Miss M, by her account, trusted her friend and the boyfriend and has ended up being punished for their behaviour. It is unfortunate that this has happened, but having given her details to the boyfriend she exposed herself to this risk. Much as I would like to ask Vanquis to remove the marker I cannot do so without some supporting evidence. It reported the marker in October when it was asked to return the money and I consider this to be appropriate.

It is open to Miss M to add a notice of correction to her credit file to explain the circumstances if she so wishes.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 24 April 2017.

Ivor Graham
ombudsman